

**C. RAMACHANDRAM & CO.**  
**CHARTERED ACCOUNTANTS**

**Limited Review Report on Standalone Financial Statements**

To  
**The Board of Directors,**  
**Penna Cement Industries Limited**


We have reviewed the accompanying statement of unaudited financial results (the statement) of Penna Cement Industries Limited for the period ended September 30, 2015. This statement is the responsibility of the Company's management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for debt securities including the manner in which it is to be disclosed, or that it contains any material misstatement

**For C.Ramachandram & Co.**  
**Chartered Accountants**  
**F.R.No:002864S**

  
**C. Ramachandram**  
**Partner**  
**Membership No: 025834**



Place: Hyderabad

Date: 14<sup>th</sup> November, 2015

(Rs. in Crores)

Sl.No	Particulars	1-Apr-2015 to 30-Sep-2015	1-Apr-2014 to 30-Sep-2014	1-Apr-2014 to 31-Mar-2015
		Unaudited	Unaudited	Audited
I	(a) Sales/income from operations	931.37	787.34	1,701.56
	(b) Other operating income	-	40.75	40.75
	<b>Total Income</b>	<b>931.37</b>	<b>828.09</b>	<b>1,742.31</b>
II	<b>EXPENDITURE</b>			
	(a) Increase/(decrease) in finished goods and work-in-progress	(11.54)	3.79	21.11
	(b) Cost of raw material consumed	148.45	147.19	306.14
	(c) Purchase of traded goods	-	39.98	39.98
	(d) Consumption of coal	106.84	122.04	237.57
	(e) Consumption of stores and spares	15.49	12.84	27.90
	(f) Consumption of packing material	27.62	30.80	59.23
	(g) Electricity charges	72.32	49.26	114.74
	(h) Repairs & Maintenance	9.43	8.96	17.92
	(i) Employees cost	33.42	30.49	62.75
	(j) Depreciation	36.39	35.98	72.18
	(k) Freight & forwarding charges	147.52	154.80	309.24
	(l) Other expenditure	108.42	95.32	211.22
	<b>Total expenses</b>	<b>694.37</b>	<b>731.45</b>	<b>1,479.97</b>
III	Profit from operations before other income, interest and exceptional items (I-II)	237.00	96.64	262.34
IV	Other income	47.82	0.61	53.03
V	Profit before interest & exceptional items (III+IV)	284.82	97.25	315.36
VI	Interest	30.67	38.49	75.95
VII	Exceptional items	0.55	(0.20)	-
VIII	Profit from ordinary activities before tax (V) - (VI+VII)	253.60	58.96	239.41
IX	Tax expenses			
	- Current Tax	50.72	13.83	68.48
	- Deferred Tax	25.00	7.46	12.46
X	Net profit from ordinary activities after tax (VIII-IX)	177.88	37.68	158.48
XI	Extraordinary items (net of taxes)	-	-	-
XII	<b>Net profit for the period (X-XI)</b>	<b>177.88</b>	<b>37.68</b>	<b>158.48</b>
XIII	Paid-up equity share capital (face value)	13.38	13.38	13.38
XIV	Paid up debt capital	681.90	628.56	706.19
XV	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	1,520.56	1,260.20	1,342.68
XVI	Debenture redemption reserve	35.00	-	35.00
XVII	Earning per share (EPS in Rs)	132.94	28.16	118.44
XVIII	Debt equity ratio	4.45	4.94	5.21
XIX	Debt service coverage ratio	3.03	1.20	4.20
XX	Interest service coverage ratio	10.46	3.47	5.10

**Notes:**

- 1) The Company has business segments namely Cement, Thermal Power, Gas Power and Strategic Investments division. Following are the required disclosures of those segments.

(Rs. in Crores)

Particulars	Cement	Thermal Power	Gas Power
Revenue from the Operations	841.45	84.38	5.54
Profit Before Tax	244.54	9.96	(0.90)
Capital Employed (investments in fixed assets)	1,697.56	190.04	16.83

- 2) Details of investor's complaints/requests for the quarter ended 30 September 2015: Opening Balance: Nil; Received during the quarter: Nil; Disposed of during the quarter: Nil; Pending at the end of the quarter: Nil.
- 3) The above Unaudited results were reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 14th November 2015.
- 4) The Statutory Auditors have carried out a limited review of the Un-audited financial results of the Company for the half year ended 30 September 2015.
- 5) Debt service coverage ratio = Earnings before interest, depreciation and tax / (Interest + Principal)  
Interest service coverage ratio = Earnings before interest, depreciation and tax / Interest expenses
- 6) Previous figures have been re-grouped/re-classified/re-casted wherever necessary to confirm to current half year presentation.
- 7) Company has filed scheme of arrangement petition with Honourable High Court of Andhra Pradesh and Telangana.
- 8) During the current half year, Company has commenced its commercial production of power from Waste Heat Recovery (WHR) plants in Boyareddypalli and Ganeshpahad plants.
- 9) In view of the amalgamation of Sriba Industries Limited with the Company from the appointed date of 1st October 2014, the figures for the current half year are not comparable with those of the previous half year.



*P. Prathap Reddy*